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FISCAL IMPACT REPORT

SPONSOR: Sharer DATE TYPED: 03/03/03 HB _____

SHORT TITLE: Lottery Tuition Scholarship Qualifications SB 217

ANALYST: Williams

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			Minimal	Recurring	Lottery Tuition Scholarship

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 32, HB 81, HB 125, HB 171, SB 27, SB 77, SB 373, SB 377

SOURCES OF INFORMATION

LFC Files
 Commission on Higher Education (CHE)
 New Mexico Lottery
 Department of Military Affairs

SUMMARY

Synopsis of Bill

Senate Bill 217 extends eligibility for lottery tuition scholarships to include qualifying students who are dependents of New Mexico residents stationed outside of New Mexico due to service in the United States armed forces. These students may qualify by completing a high school curriculum at any public or private accredited high school in the United States. If the high school is located outside the United States, the course of study must be accredited or similar to an accredited course in the United States. The student may also receive a graduate equivalent diploma.

The family must be able to provide evidence of residence in New Mexico prior to being stationed outside the state.

Significant Issues

The Department of Military Affairs notes a similar bill, HB 171/a, would potentially impact a selected number of dependents of New Mexico National Guardsmen.

FISCAL IMPLICATIONS

According to a CHE survey of financial aid officers at post-secondary institutions, the projected fiscal impact is expected to be minimal.

ADMINISTRATIVE IMPLICATIONS

CHE notes minimal administrative impact, principally at institutional level, to verify parental residency status.

OTHER SUBSTANTIVE ISSUES

According to a recent budget analysis of the Lottery Success Scholarships Program, fund balances are expected to increase through FY08, and the fund will support current eligibility guidelines and demographic projections through 2013. However, recurring expenditure growth is projected by CHE to exceed recurring revenue growth in FY09. The CHE does not support changes to the Lottery Success Scholarship Program.

The New Mexico Veterans Administration indicated changes to a home of record is a relatively easy process for military personnel.

Department of Military Affairs views a similar bill, HB 171/a, as a “positive morale factor for New Mexico National Guard personnel as well as other serving members of the Armed Forces, who are residents of New Mexico.”

The New Mexico National Guard offers a scholarship program for servicemembers in the New Mexico National Guard.

TECHNICAL ISSUES

CHE notes dependents of New Mexico residents serving in the armed forces who retain their New Mexico residency are eligible to apply for any form of state and federal financial aid, except the Lottery Success Scholarship and the New Mexico Scholars Program, both of which require graduation from a New Mexico high school.

AW/sb